[No. 300]

(SB 329)

AN ACT to amend 1984 PA 192, entitled "An act to regulate the use, installation, alteration, and servicing of specified heating, cooling, ventilating, and refrigerating equipment and systems; to create a board of mechanical rules; to provide for the licensing of installing contractors and of servicing contractors of heating, cooling, ventilating, and refrigerating equipment and systems; to prescribe fees; to provide for the promulgation of rules; and to prescribe penalties," by amending section 7 (MCL 338.977), as amended by 1985 PA 168.

The People of the State of Michigan enact:

- 338.977 Installations, alterations, or servicing; designating contractor of record; notice; performance without compensation or on behalf of charitable organization; facility employing qualified maintenance crew; "charitable organization" defined.
 [M.S.A. 18.86(7)]
- Sec. 7. (1) Except as provided in subsection (3) and section 14, an individual, partnership, association, corporation, governmental subdivision, college, or university shall not perform installations, alterations, or servicing of work classifications under section 6(3), which are regulated by the state construction code act of 1972, 1972 PA 230, MCL 125.1501 to 125.1531, unless the individual, or an employee of the individual, partnership, association, corporation, governmental subdivision, college, or university has received a contractor's license from the department, which has not been revoked or suspended, and the license is either classified and limited as provided in section 6 or is annotated as provided in section 8, and the holder of the license has secured the appropriate permit from the enforcing agency charged with the responsibility of issuing permits.
- (2) An individual, partnership, association, corporation, governmental subdivision, college, or university which performs installations, alterations, or servicing of work classifications under section 6(3) shall designate the holder of a contractor's license as described in subsection (1) as the contractor of record. The department shall be notified in writing of the designation.
- (3) If the installation, alteration, or service of a work classification under section 6(3) is performed without compensation by a person licensed under this act for or on behalf of a charitable organization, the permit required under subsection (1) may be obtained by the owner of the property on which the work is performed. This subsection applies only to the reconstruction, renovation, or remodeling of 1- to 4-family dwellings.
- (4) This act does not require a contractor of record in a facility that regularly employs a qualified maintenance crew to perform within the facility mechanical contracting work regulated by this act.
- (5) As used in this section, "charitable organization" means a not for profit tax-exempt religious, educational, or humane organization.

This act is ordered to take immediate effect. Approved July 28, 1998. Filed with Secretary of State July 28, 1998.